AN ANALYTICAL STUDY OF CRM PRACTICES IN PUBLIC AND PRIVATE SECTOR BANKS IN THE STATE OF UTTAR PRADESH

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Introduction

Over the years, Indian banks have expanded to cover a large geographic and functional area to meet the developmental needs. They have been managing a world of information about customers - their profiles, location, etc. They have a close relationship with their customers and a good knowledge of their needs, requirements and cash positions. The banking sector is facing enormous challenges of attracting the new customers and retaining the existing ones. The problems commonly encountered by the bankers are shifting of customer loyalty, difficulty in synchronizing demand and supply, controlling the performance quality of human interaction, etc. – need to be articulated and tackled by managers. The attraction, retention, and building strong customer relationships through quality services are at the heart of the modern marketing.

A sound marketing strategy is required to be adopted by the banker to build customer trust and retain them in the business and for competitive advantage across the industry. The strategy should focus on service quality rather than existing marketing mix, understanding of the customer expectations and perceptions and what they imply for the marketer, use of technology, planning for service recovery, customer-defined service standards, value pricing, etc. Customer relationship management (CRM) solutions, if implemented and integrated correctly, can help significantly in improving customer satisfaction levels. Data warehousing can help in providing better transaction experiences for customers over different transaction channels. This is because data warehousing helps bring all the transactions coming from different channels under the same roof. Data mining helps banks analyze and measure customer transaction patterns and behaviour. This can help a lot in improving service levels and finding new business opportunities.

Also, before the Internet revolution, consumers largely selected their banks based on how convenient the location of bank's branches was to their homes or offices. With the advent of new technologies in the business of bank, such as Internet banking and ATMs, now customers can freely choose any bank for their transactions.

Thus, the customer base of banks has increased, and so has the choices of customers for selecting the banks. This situation coupled with the pressures of competitive and dynamic markets has contributed to the growth of CRM in the banking Sector.

Customer Relationship Management: The Concept

Customer Relationship Management (CRM) as the name suggests, the primary focal point is placed on the customer. The key objective is to increase customer value over time by increasing customer loyalty. If a company develops better customer relationships, it also improves business processes as well as its profits. In general, CRM is a more efficient automated method used to connect and improve all areas of business to focus on creating strong customer relationships. All forces are coupled together to save, improve, and acquire greater business to customer relationships.

The most common areas of business that are positively affected include marketing, sales, and customer service strategies. CRM helps create time efficiency and savings on both sides of the business spectrum. Through correct implementation and use of CRM solutions, companies gain a better understanding of their strongest and weakest areas and how they can improve upon these. Therefore, customers gain better products and services from their businesses of choice. In order to achieve better insight on CRM, it is essential to consider all of its components.

Need of CRM in the Banking Industry

A Relationship-based Marketing approach has the following benefits:

- The Customers in Banking Industry today are well informed. With the introduction of new technology, the world has become like a small village. Thus, if a Bank wants to have more customers, it should develop a good relationship with its present customers and try to maintain the same in the future also.
- There is intense competition among the Private Sector Banks, Public Sector Banks and Foreign Banks and they are all taking steps to attract and retain the customers. New technologies, research facilities, globalization of services, the flood of new products and the concept of all the facilities under one roof to provide better customer service leading to customer delight.
- In the present scenario, brand loyalty is on decline. The customers are switching over frequently to avail the better facilities from other banks. Newer and superior products and services are being introduced continuously in the market. Thus, the banks have to upgrade their products, improve customer service and create bonds of trusts through proper care of customer needs and regular communications. With the help of CRM, strong customer loyalty and a good image for the organization can be developed.

- In the intensely competitive banking industry, retention of existing customers is vital, which can be achieved through the process of CRM. With increased number of banks, products and services and practically nil switching costs, customers are easily switching banks whenever they find better services and products. Banks are finding it tough to get new customers, and more importantly, retain existing customers.
- The better a bank can understand the customer and his/her needs & preferences, and so greater the opportunity to tailor products and services and cross-sell the product / service range.
- Customers in long-term relationships are more comfortable with the service, the organization, methods and procedures. This helps reduce operating cost and costs arising out of customer error.

Banking and CRM

Today, banking is more customer-centric, unlike the resent past when it was transaction-centric. Banks are increasingly focusing on the premise that customers choose on the service provider who differentiates through quick and efficient service. However, there is more to Customer Relationship Management (CRM) than just managing customers and analysing their behaviours. Banks are well aware that their success is predominantly dependent on the CRM strategies adopted by them. Service providers have recognised that good CRM bonds customers with the organisation for a longer term, resulting in increased revenues. With customers' expectations becoming even more competitive, banks are coming up with a wide array of novel products and services every day. The challenge is for the banks to work towards ensuring that customers prefer their products and services over that of competing brands.

Benefits of CRM

Benefits of CRM can be categorized into following groups:

(i) Benefits for Customers

- There is a more coordinated and professional approach to customer contact.
- With up-to-date customer information, Banks can offer more personalized services.
- Customers feel empowered if they have greater access to products and services. For example 24 Hours banking.
- Targeted product and service offerings can be timed to coincide with customer events and requirements e.g., Education Loans and Tourism Loans.

(ii) Benefits for Employees

- Employees are empowered with the information to deliver high quality service and meet customer expectations.
- Employees have more time to serve customers.
- Employees have higher satisfaction ratings.

(iii) Benefits for Banks

- Managers are empowered with information that can help them manage customer relationships and make better decisions.
- Optimum use of resources.
- Customer satisfaction and increased loyalty.
- Improved customer acquisition and cross-selling.
- It helps in capitalizing on short windows of opportunities in the market.

A greater focus on Customer Relationship Management (CRM) is the only way the banking industry can protect its market share and boost growth. A successful CRM strategy aims at understanding the needs of the customer and integrating them with the organization's strategy, technology, people and business process.

Evolution of CRM in Banking Sector

Regulation and technological improvements are responsible for the vast majority of innovations in banking over the past quarter century. The introduction of personal computers and the proliferation of ATMs in the1970s captured bank management's attention. The regulatory changes in the 1980s fueled much of the industry's growth, then downsizing as bankers focused on amassing market presence which resulted in significant merger activity.

Look, for example, at ATMs. What drove many bankers to invest in ATMs was the promise of reduced branch cost, since customers would use them instead of a branch to transact business. But what was discovered is that the financial impact of ATMs is a marginal increase in fee income substantially offset by the cost of significant increases in the number of customer transactions. The value proposition, however, was a significant increase in that intangible called customer satisfaction. The increase in customer satisfaction has translated to loyalty that resulted in higher customer retention and growing franchise value. Internet banking, a product of the 1990s, shows similar characteristics. Again, bankers invested believing that the Internet was a lower-cost delivery channel and a way to increase sales.

Studies have now shown, however, that the primary value of offering Internet banking services lies in the increased retention of highly valued customer segments. Again, the intangible called customer satisfaction drives the value proposition.

Now we explore CRM. CRM is not another ATM or Internet bank. It is not a checking account, a stock or a mortgage. CRM is an added dimension to ensure that what the customer expects is consistent with what the bank is prepared to deliver. One expert in bank CRM initiatives recently said that CRM is an approach that is less focused on providing the right services to the customer than attracting customers who are the right fit for what the bank has to offer. Further, the primary value of CRM is its potential as a customer retention tool.

Statement of the Problem

In the banking Industry, there is an exclusive relationship retrieve between the customer and bank. But only few banks are adapted the customer relationship management practices. The reasons in this regards may be risk of failure, financial burdens, marketing inertia etc. With these backgrounds the researcher made an effort towards the idea of customer relationship management. It has adapted uniformly for improved of banking services in this industry.

In banking sector, the role of CRM is very significant in leading the bank either towards high level or increased volume of profit. Therefore, we analyzed there is a need of the research about Impact, problem and developments of customer relationship management on banking sector as well as may attempt to get promotion of banking industry through this sideline of practices.

Review of Literature

"A customer is the most important visitor on our premises. He is not depending on us. We are depending on him. He is not an interruption on our work. He is the purpose of it. He is not an outsider on our business. He is a part of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so." **- Mahatma Gandhi -**

Dr. Raja M. Rather, (2013) found that public sector banks are not behind in providing new innovative services and products, customer centric approach by employees, strengthening image of bank, expanding accessibility, offering more augment services to the customers. It further indicate that private sector banks are losing its experience based core competitive area where they started with that leads to serious strategic challenge for private sector banks.

Dr. Sarita Bhatnagar, (2012) observed that Customer Relationship Management has become unavoidable for growth and profitability of Banks in current era marked by rising competition, technological advancement and empowered customers. The CRM practices are adopted to generate better understanding of the customer for product development, segmentation, appropriate targeting, campaign management and maintenance of long term profitable and mutually beneficial relationships with customers. In Indian banking Customer Relationship Management is still at a nascent stage. A very small proportion of its potential has been utilised. The concept has been implemented on a limited scale. The study investigates the impediments to successful implementation and benefits of CRM.

The Indian banking can be broadly characterized as nationalized (government owned), privet banks and specialized banking institutions. The reserve bank of India performed a centralized body monitoring any discrepancies and shortcoming in the system. Nationalization of banks took place in 1969, the public sector banks or the nationalized banks have attained a prominent place and has since then seen tremendous progress. The Indian banking has finally taken up challenges under competitive dynamics scenario in India. Banking sector is successfully addressing the relevant issues to take on the multifarious challenges of globalization. More number of Banks employ IT solutions and they are perceived to be 'futuristic' and proactive players, capable of meeting the multifarious requirements of the large customer base **D. R. Joshi, (2012)**.

Suresh Chandra, (2012) Digital generation has overturned long held norms of communication, engagement, decision-making and transaction. The future of banking will be directed by generation young, educated, networked and independent thinking consumers, who want complete control over their decision, including those related to finance. It is very essential to generate customer experience at every customer touch point for a successful growth strategy. A good customer experience will drive customer acquisition and promote customer retention which translates into increased profit. Because of intense competition there is decline in brand loyalty. The customers are switching over frequently to avail the better facilitates from other banks. Therefore it is very vital for Public and Private Sector banks to changes their marketing strategy with the help of customers' experience and customers' satisfaction data. Banks need to use customer's related data not only to design marketing strategy but also to assess the performance of their marketing efforts. Banks are under paramount pressure to relate their qualitative data with quantitative performance.

Kajal Chaudhary and Monika Sharma, (2011) the economic reforms in India started in early nineties, but their outcome is visible now. Major changes took place in the functioning of Banks in India only after liberalization, globalisation and privatisation. It has become very mandatory to study and to make a comparative analysis of services of Public sector Banks and Private Sector banks. Increased competition, new information technologies and thereby declining processing costs, the erosion of product and geographic boundaries, and less restrictive governmental regulations have all played a major role for Public Sector Banks in India to forcefully compete with Private and Foreign Banks. This paper an attempt to analyze how efficiently Public and Private sector banks have been managing NPA, they have used statistical tools for projection of trend.

Researchers have evolved satisfaction indices (SI) to suit various requirements but almost all have agreed on communication being a central aspect to any customer relationship strategy **Ali and Ahmad, (2010)**. Though many models have been used to explain the relationship between a customer and a service provider, Shantakumar and Xavier (2001) have tried to summaries a few dimensions of any relationship, namely mutual benefit, reciprocation, trust, transparency, concern, interdependency, adaptation, commitment, shared values, which we have categorized into interaction, knowledge and information, responsiveness and reliability ... the four basic dimensions that facilitate a relationship.

Steyn et al., (2010) the effectiveness of a CRM strategy can be measured by the satisfaction levels of customers with respect to its components. According to Durkin (2004), exceptional customer service is the key to building customer loyalty and, thus, ensuring long-term profitability. And effective communication is an important aspect of exceptional customer service. Recently, Reimann et al. (2008) have highlighted the direct and unconditional performance effect of CRM strategies by investigating the role of critical factors underlying the CRM process, and one of them is interaction with customers. And almost as a rule, most modern CRM strategies explicitly fine-tune their communication to benefit customers.

Gaps in the Existing Literatures

There is limited research for the analytical CRM for Indian banking sector. The perception of this sector about analytical CRM systems needs to be further researched along with benefits which this sector hopes to achieve through analytical CRM. This constitutes a research gap and has been the focus of this paper.

The existing studies have multiple points of views but none of them have offered an integral and specific study in CRM. Thus a need is felt to initiate research in this direction so as to establish relationship between different parameters that reflected the effectiveness efficiency of CRM. The present work is an initial attempt at the banking sector level.

Objectives of the Study

1. To understand and evaluate the effectiveness of CRM in banking sector.
2. To compare the structure, objectives and working styles between various Public Banks and Private Banks.
3. To identify the level of computerization and level of automation by banks to provide better services to customers.
4. To assess the customer satisfaction level.
5. To study the various barriers of effective CRM.

Hypotheses

1. There is no significant impact of different parameters on the efficiency of CRM.
2. There is no significant difference between CRM performance of private and public sector banks.
3. There is no significant impact of CRM on customer satisfaction.

Scope and relevance of the study

Principal aim is to gather and assemble information from the literature and from leading researchers, consultants and practitioners with objective of identifying and explaining the major aspects of Customer Relationship Management in Banks. To fill in the appraisal of secondary data, primary data have been gathered from Public & Private Banks through questionnaire and personnel interview method. Scope of the study is limited to CRM practices of Public Banks (UBI & OBC) and Private Banks (AXIS & ING Vysya).

Research Methodology

Research Design: The research is descriptive nature because previous researchers have not studied the indicators, which the researcher has chosen, and it has explained the attributes, which are related with Customer Relation management aspect in banking sector in Uttar Pradesh. It is a fact finding investigation which is aimed at describing the characteristics of individual, situation or a group (or) describing the state of affairs as it exists at present.

The researcher has been collected data for his research through primary and secondary sources.

Primary Sources: The study is based on primary data collection. The data are collected through questionnaire cum interview from the officers and the customers of selected public sector banks, private sector banks and was evaluated by various methods.

Secondary Sources: Secondary data has been obtained from many sources, including the annual reports, through literature based on the topic as well as the internet and other published data like conference proceedings, reference books etc.

Sample Size and Sample Area: The researcher has been collected data through the stratified random sampling technique. The research includes those banks which have implemented the CRM strategies. The sample had been collected from the four Banks situated in Uttar Pradesh, We have considered two Public (UBI & OBC) and two Private (AXIS & ING VYSYA) Sector banks for this study. The respondent of the Banks were approached directly and requested to fill in the questionnaire cum interview. Furthermore the respondents were assured of confidentially of these responses.

As per the preliminary information, the public and the private sector banks have employed some or other CRM strategies for the purpose of customer retention. The selection of respondent in each participating Bank and Table provides the details about the number of total respondents taken for the study.

Table: Total respondents

Banks	No. of official respondents from Banks	Number of Customers
UBI	31	47
OBC BANK	38	46
Public Sector Banks	**69**	**93**
AXIS	38	53
ING VYSYA BANK	30	45
Private Sector Banks	**68**	**98**
Total respondents	**137**	**191**

Duration of the Survey: Data collected between Dec. 2011 – July. 2013.

Data Analysis Techniques: SPSS Package was applied to accumulate and analyze the data collected from the field survey. Frequency distributions were studied to assemble the first hand information on different variables.

Further data was analyzed for

a) Major Factors were taken from various researches and put to respondents to analysis their importance.

b) Frequency distribution was calculated of various responses.

c) Chi-Square and p-value was calculated through SPSS software to understand the significance.

Findings

- **Loan related services with clear terms & conditions:** It is observed that in case of Public Bank only 39 respondents are neutral where as in case of Private Banks it is 20. It shows that this parameter is significant and need to be focused by Private Banks. Consequently, though it is easy to get loan in Private Banks but still respondent feel that Public Banks terms and conditions are much clear and in case of Private Banks respondent feel that terms and conditions changes fast with subject to market conditions.
- **Mixture of service:** After comparing it is examined that all Banks respondents is highly satisfied in Public Bank which is 27 & in Private Banks it is 39. It shows that this parameter is significant and need to be more focused by Public Banks. Accordingly, response from various respondents indicates that Bank services play important role.
- **Additional facility like online service and payment:** For the reason that the response from various respondents indicates that Bank in Public Bank only 24 of respondents are highly satisfied whereas in case of Private Banks it is 45. It shows that this parameter is significant and need to be focused by Public Banks. Consequently, additional facility is essential for effective CRM practices.
- **Empowerment to customer:** It is observed that in Public Bank only 38 of respondents are neutral whereas in case of Private Banks it is 20. As a result this parameter is significant and need to be focused by both Public & Private Banks. Consequently, response from various respondents indicates that empowerment to customers is still have a neutral response.
- **Interactive management:** Bank initiative with that the customer plays very important role. In Public Bank only 25 of respondents are highly satisfied where as in case of Private

Banks it is 38. It shows that this parameter is significant and need to be focused by Public Banks. Consequently, interactive management is also a key parameter for ideal CRM and needed to be focused by both Banking Sectors.

- **Continuation of internet capability without threat:** Both sector's Bank provides this facility but risk factors play still an important concern. In Public Bank 39 are neutral & in Private Banks it is 20. It shows that this parameter is significant. Consequently, details show that respondent from Private Banks feel higher risk while using internet facility as compared to Public bank customers. In general, the response from various respondents indicates that though now both Public and Private Banks provide this facility but risk factors play still an important concern.
- **Considering customer anticipation:** Comparing response of various respondents indicates that customers are moderately dissatisfied. It is observed that in Public Bank it is 36 & in Private Banks it is 35 only. It shows that this parameter is significant and need to be focused by both banks. Consequently, customer anticipation desired to consider prominently in CRM.
- **24 hours contact facility:** Comparing response from various respondents indicates that customers from both banks are moderately satisfied in Public Bank 21 & in case of Private Banks it is 32. It shows that this parameter is significant and need to be focused by Public Banks. Consequently, to carry on excellent CRM the Banks are expected to preserve their 7X24 Hours contact facility.
- **Skilled staff to handle errors:** In Public Bank 33 is moderately satisfied where as in case of Private Banks moderately satisfied are 18. It shows that this parameter is significant and need to be focused by Private Banks. Even Private Banks have more young staff they are well trained but respondents feels that mature staff of Public Sector Banks can handle errors or similar critical situations with their experience.

For the customer analysis, questions were asked from customers to evaluate CRM of each Bank. After having response on 10 cases, it has been found that 3 cases are significant. Each response analyzed to understand and conclude the results from the same, which are following:

- It is found that among 191 total respondents merely 68 respondents say-No, at the same time as 123 respondents' says-Yes. Moreover, in case of Public Banks it is observed that 19 respondents says-No and 74 respondents say-Yes. In case of Private Banks it is observed that 49 respondents says-No and 49 respondents says-Yes. When most of the

respondents were asked about their satisfaction level, it is observed they have mix response in Private Banks. Consequently, there is significant impact of CRM on customer satisfaction.

- It is found that among 191 total respondents merely 44 respondents say-No whereas 147 respondents' says-Yes. Above and beyond that in case of Public Banks 29 respondents say-No and 64 respondents' says-Yes. In case of Private Banks it is observed that 15 respondents says-No and 83 respondents says-Yes. When the respondents were asked that you think this bank is better than other bank. It is observed that due to convince of reach will again come to bank. Consequently, there is significant impact of CRM on customer satisfaction.
- It is found that among 191 total respondents simply 52 respondents say-No at the same time as 139 respondents' says-Yes. Further, in case of Public Banks 35 respondents says-No and 58 respondents say-Yes. In case of Private Banks it is observed that 17 respondents says-No and 81 respondents says-Yes. It shows that against the problem solving attitude they still feel that problems can be handled in much better and efficient way. They feel many other banks solve the problem in better way. Consequently, there is significant impact of CRM on customer satisfaction.
- The service provided by the Private Banks is far better than the nationalized banks. Quick and satisfactory replies to queries then we get in the nationalized bank. The Private Banks are fully technology oriented which makes the work easier and faster, whereas most of the branches of nationalized banks are still to have a taste of technology and they don't care about retaining the clients.
- Young staffs in Private Banks are quick and aggressive compared to the slow and aged staff in nationalized banks. For instance when you go to withdraw or deposit cash in nationalized banks the time they take lot of time for accepting or giving cash even with the counting machines with in that time in a Private Bank employee would have paid to approximately 3 customers.
- Larger coverage and no differentiation of customers in Public Sector Banks. Competitive and **u**upgraded services as Private Banks. Fare customer practices in Private Banks. Competitive Technological advancement in Private Banks. Changing mindset of working staff adds to CRM utility in Private Banks.
- Little/no attention to understand the expectations of the customers in Public Sector Banks. Paying little or no attention to the behaviour of the customers in Public Sector Banks. Poor data base about the totality of the customers in Public Sector Banks.

- Poor/non-adoption of quality management practices in Public Sector. Throughout the country, the Internet Banking is still in the development Phase in both banks. Private Banks are much advanced in terms of the number of sites & their level of development.
- Almost all the banks both Private and Public have websites passing valuable information to their customers. Real e-banking & m-banking business is done by AXIS Bank Ltd, providing list of services and also provides online help about e-banking services so they were more eager to literate customers regarding it. AXIS Bank and OBC Bank are having highest level of networks found the same result. At national level figures between (Public and Private) nationalized banks Public Sector Banks takes the lead having highest number of ATM's.
- The Private Sector Banks have been perceived to be having higher values of CRM than the Public Sector Banks. While analyzing the Public Sector Banks, it has been observed that UBI is taking initiatives on the technological front and is perceived to be better when compared to the other Public Sector Banks considered in this study. However, as compare to Public Sector Banks the Private Sector Banks are using Customer Relationship Management technique aggressively to enhance their base.

Conclusions

- The study has taken a wider view about CRM in public sector banks and private sector banks. It is evident from the data, while analyzing the CRM Implementation in both the sectors; it was found that the Private Sector Banks have been able to implement the CRM practices more effectively when compared to their Public Sector counterparts. This indicates that strategically speaking, the Private Sector Banks have been more innovative in understanding their customers and in building good relations with them. Private Banks are offering more value-added services for special group of customers (class-banking approaches).
- Reasons for opening accounts with a bank by the customers are factors like convenient location, overall reputation, etc. The demographic profile of the respondents indicates that all the respondents above 60 years and retired persons have their accounts with public banks. People with higher age group, retired, businessmen and higher income group people want to operate with a bank because of overall reputation of the bank. The number of visits by the customer to the bank has substantially gone down due to availability of ATMs. The overall scenario for banking behaviour of customers is almost similar for public and private banks.

- The analysis of the results received suggests that the banks (whether Public or Private) are equally affected by the kind of CRM initiatives they undertake. The banks are now under tremendous pressure to retain the older customers because of the competition in the Banking Sector. This would not only ensure better customer relations but also loyalty among them, which is very critical and important in today's competitive world. Banks have started acknowledging the importance of the customers in developing their business.
- They have recognized that it is essential to protect and grow its customer base and ultimately its profitability. The CRM approach adopted by banks focuses on maximizing the value for the customer and the bank. The key drivers to customer affection are: (a) Optimistic Personnel mind-set.; (b) Sincerity, honesty and trustworthiness; (c) Creative guidance and delivery of the guaranteed service; (d) Steady delivery of greater class service; (e) Simplicity and easiness of doing dealing; (f) Proficient grievances resolution. The banks can do this by building a strong relationship with the customers. To meet the customer needs and to beat the competition, they must deliver superior quality service.
- The roles of the front office people are quite important in attracting and retaining the customers as reported by the bankers of private banks and large-sized public sector banks. Face-to-face interaction is another strategy adopted by few bankers, more particularly by rural branches and middle-sized banks. The route to a successful business requires that banks understand their customers' needs, requirements and data mining is the essential guide. Extensive usage of Internet is going to be a standard and it's the challenge for the corporate world to fulfill desire of the customers. No doubt CRM is here to take on the business world and essential to compete effectively in today's market place.

Suggestions

- The customers of banking industries preferred and except transparency with the executives. So, customer interaction programs must be essential to study the characteristic features of the customers.
- Implement a Customer-centric process in banks.
- The banks must try to find out the specific needs of different customers, so that suitable package of services may be offered to them.
- Provision for separate inquiry counter at banks is advisable especially to the illiterate customers. Efficient, knowledgeable, competent, versatile and skilled front-line staff is required for banks.

- Customer complaints might be handled quickly and their satisfaction must be accorded top priority.
- The customers are advised to the about mutual benefit. This enables the banking industries to improve the quality of services. The qualitative approach and proportionate must be taken care for their customers.
- Banks, particularly the PSBs (Public sector Banks) need to further improve their counter services.
- The working hours of the banks must be as flexible as possible. The operating hours of banks might be extended depending upon the customer needs.
- As more and more customers switch over to ATM services, more ATM machines might be installed specially in Rural-areas.
- Instead of terminating the problematic and unwanted customers, the banking industries might come forward to analyze the basic needs and expectation of the problematic customers. This move will be vital reducing the stained relationship with unwanted customers.
- Information search place a major role in consolidating optimistic relationship between customers and executives. So, meticulous care must be taken by the banking industries to advertise their services.
- Since the executives are enthusiastic in initial strategies to acquire the customers the banking industries may adopt certain incentives strategies for the customers to encourage them. This move would pave the way to maintain smooth relationship between executives and customers.
- It is found from the research that certain groups of executive are unaware as well as unresponsive towards CRM elements. So, executives should be given training to improve their attitude to customers, behaving politely to them and hence ensuring customer loyalty.
- The executives of these banking industries should conduct a survey to measure the customer preference and level of satisfaction.

Recommendations

- Banks must know that the heart and soul of relationship marketing is personal attention, treating customers as clients rather than a face in the cloud, hence must continue to treat customers as clients.
- Banks can continuously inform all employees of new and changed products and services. Employees must be motivated to notify clients. Clients want to be fully informed about

new and changed products and services. Clients will feel their financial matters are secure if they are satisfied with the bank employees' attitudes.

- In order for Relationship Management philosophy to be willingly absorbed into the company, service excellence must not be presented as novelty; rather must be presented as logical extensions of what the company is already doing. For example Banks should not be seen as strictly following some instruction in a book when serving their customers, but should handle customers in a manner that depicts their everyday lifestyle as a bank.
- Banks should educate their employees about the complex, ever-changing environment in which their bank operates and inform them of all the banking policies and procedures.
- Banks should make an effort to train staff on Customer Relationship Management. Particular training sessions can be designed for banks employees and the training sessions can be made mandatory to attend for new bank employees and can be repeated every year for all employees.
- Banks employees should be immediately informed when banking policies, procedures, rules and regulations change. Banks should encourage employees to admit to clients, who enquire about a product, service, policy and procedure if they do not fully understand it or if they are unable to inform them immediately about certain aspects, rather than incorrectly informing a client. The employee should immediately consult the bank manager or another employee, who might be more knowledgeable, in order to correctly respond to the client's query, or the employee should obtain the client's details and contact him/her as soon as possible with the correct response.
- Information sharing system with the customer should be developed in such a way that the organization can share their any sort of information with the customer without taking any help from the media or advertisement.
- At present days, customers are more assertive and more conscious than ever before. They want to take service from those organizations that they can rely on. Therefore they always justify benchmarking and rendering the services to the existing market.
- Offering top score services to both new as well as existing customers. Relationship created, should be managed very well to keep these customers.
- Bank managers should pay more attention towards development of human resources and organizational setting development to handle vast economic market.
- As identified, customers' focuses on relationship building hence the need for Banks to develop relationship programs that will allow them achieve customer loyalty. Examples of

such programs could be constantly showing interest in the customers' needs and staff giving customer complaints all the attention it deserves.

- Bank managers can increase their bank's level of CRM by focusing on development of employees' knowledge ability and a positive change in their attitudes. When customer comes at the branch to get the service from the bank they should positively treated by the employee and they should listen customer's any complain or their needs carefully.
- Banks should hire professional people to deal with the system efficiently especially when the system is a little bit complex. Moreover, banks should use customer friendly technology which their customer can use and brings value in their life.
- Customer Relationship Management should not stop keep contacting with the customer service consumer it should also be extended to taking their views after sale has been done. In fact, an understanding of the impact of the post sale services is also important to service quality.

Limitations of the Study

This study has the following limitations:

1. The results of this study may not apply to other regions based on data collected from the Uttar Pradesh.
2. Foreign banks have been excluded from the study.
3. In the questionnaire respondents were asked refused to give personal information.
4. Rapidly changing customer perceptions towards new banking facilities is a limiting factor.

Future Prospects & Directions for further research

The further research must express itself for carrying out such exploration. This will resolve the functions extra meaningful to lift up CRM additional efficient. Additionally, the views suggested are macroscopic; this can be further extended to microscopic level.

Further, the following studies have got the scope for the prospect researcher.

- A study on Customer Relationship Management Practices in Foreign Banks.
- A comparative study of all public and private sector banks in CRM practices.
- An analytical study on CRM practices in selected banks in India. i.e. - New Generation Private sector Banks (NGPBs) and Foreign Banks (FBs); Old Private Sectors Banks (OPBs) and NGPBs; or between OPBs and FBs.
- An efficient CRM model desired to build and apply across the sector and benchmarks to be identified for others to follow.

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